703 518-6319

TrustUS
FEDERAL CREDIT UNION
275 Ward Road
Midlothian, TX 76065

January 30, 2009

Ms. Mary Rupp, Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Re: Comments on Advanced Notice of Proposed Rulemaking for Part 704

Dear Ms. Rupp,

Our credit union management and board are very concerned over the proposal from the NCUA board to charge us the 62 basis points on our Return on Assets (ROA) necessary to bail out the corporate credit union system.

It is my understanding that most of the losses suffered by the corporate credit unions stem from the deterioration of the value of mortgage backed securities, which under present accounting rules are required to be carried on their balance sheets at market value. This entails large paper losses. Most of these mortgage backed securities now have a government guarantee. This means that the old accounting rule requiring the market valuation is now obsolete. If the corporate credit unions could designate their mortgage backed securities as "held to maturity" and value them at face value, then much of the losses would disappear. If the losses disappear, the necessity for credit unions to pay for this expensive restructuring plan becomes unnecessary.

As I am sure you are well aware, the forecast for the 2009 economy is bleak. Members are not borrowing as they used to. Investment alternatives for most credit unions have low yields as well. Adding a 62 basis charge to a credit union's already stretched margins in my view may create more problems than it will solve.

Sincerely,

Ross Irvin
President/CEO
TrustUS Federal Credit Union